

Approved For Release 2005/04/27 : CIA-RDP80R01731R003700010004-1

TOP SECRET

COPY NO. 11

NATIONAL SECURITY COUNCIL

STATUS OF PROJECTS

as of

January 22, 1951

TOP SECRET

NSC review(s) completed

Approved For Release 2005/04/27 : CIA-RDP80R01731R003700010004-1

WARNING

THIS DOCUMENT CONTAINS INFORMATION AFFECTING THE NATIONAL DEFENSE OF THE UNITED STATES WITHIN THE MEANING OF THE ESPIONAGE ACT, 50 U.S.C., 31 AND 32, AS AMENDED. ITS TRANSMISSION OR THE REVELATION OF ITS CONTENTS IN ANY MANNER TO AN UNAUTHORIZED PERSON IS PROHIBITED BY LAW.

NATIONAL SECURITY COUNCIL

STATUS OF PROJECTS

1. COMPLETED PROJECTS

(January 15, 1951-January 22, 1951)

THE SITUATION IN KOREA

(NSC Action No. 419. See also related projects in Sections 2A, 3A, 4 and 5)

TOP SECRET

2. PROJECTS UNDER CONSIDERATION BY THE NSC

A. ITEMS SCHEDULED ON THE AGENDA FOR THE 81st NSC MEETING, WEDNESDAY, JANUARY 24, 1951:

THE SITUATION IN THE FAR EAST

Discussion of the subject scheduled as item 1 on the agenda for the 81st NSC meeting, January 24, in the light of an oral briefing by the Chairman, JCS, on the military situation in Korea.

RECOMMENDED POLICIES AND ACTIONS IN LIGHT OF THE GRAVE WORLD SITUATION

(NSC 100; memo for NSC from Executive Secretary, same subject, dated January 16, 1951)

Report by the Chairman, National Security Resources Board and subsequently revised page 16 thereof (reference memo) submitted at his request for Council consideration. Scheduled for discussion as item 2 on the agenda for the 81st NSC meeting, January 24.

THE POSITION OF THE UNITED STATES WITH RESPECT TO SOUTH ASIA
(NSC 98/1; NSC Action No. 421)

NSC 98/1, a revision of NSC 98 prepared by the NSC Staff pursuant to the reference action, is scheduled for consideration as item 3 on the agenda for the 81st NSC meeting, January 24.

TOP SECRET

PROJECTS UNDER CONSIDERATION BY THE NSC (Cont'd)

B. ITEMS UNDER CONSIDERATION BY MEMORANDUM ACTION

COORDINATION OF U. S. AID PROGRAMS FOR FAR EASTERN AREAS
(NSC 61/1; NSC 61; Memos for NSC from Executive Secretary, same subject, dated May 16 and August 14, 1950)

Pursuant to NSC 61, a report by the Under Secretaries of State and the Army, and with the concurrence of the President, representatives for a Working Group were designated by the Secretaries of State, Defense, the Treasury, and Commerce, and the Economic Cooperation Administrator, to prepare a report looking to closer coordination of economic and military aid programs generally for Far Eastern areas. The report, prepared by the Working Group with the assistance of a representative of the Bureau of the Budget, was submitted for consideration by the reference memo of May 16 as NSC 61/1. Approved by the Secretaries of the Treasury and Commerce; disapproved by the Economic Cooperation Administrator, with comment. Reply of the Secretary of Defense with the views of the JCS was circulated by the reference memo of August 14, which summarizes the above replies and suggests an appropriate Council action in the light thereof. Approved by Defense and Treasury, August 17; by NSRB and ECA, August 18; by Commerce, with comments, August 19. Awaiting action by other Council members with respect to the suggestion in the reference memo of August 14, 1950.

TOP SECRET

TOP SECRET

PROJECTS UNDER CONSIDERATION BY THE NSC (Cont'd)

C. ITEMS AWAITING SUBSEQUENT NSC CONSIDERATION

RESULTS OF THE CONVERSATIONS BETWEEN THE PRESIDENT AND THE BRITISH PRIME MINISTER
(NSC 93/1)

Report by the Department of State on the subject circulated for the information of the Council. To be scheduled on the agenda of a future Council meeting. (See also Section 3-A.)

PORT SECURITY
(NSC 78/1; NSC 78 and related papers; NSC Action No. 405)

By the reference action the Council noted that the President requested the Secretary of Defense to have a careful study made of possible port security measures, including an appraisal of their effectiveness in relation to their probable cost, and to make appropriate recommendations thereon for consideration by the Council. Report by the Secretary of Defense (NSC 78/1) submitted for Council consideration. To be scheduled on the agenda of a later Council meeting.

UNITED STATES POLICY TOWARD SPAIN
(NSC 72; NSC 72/1; NSC 72/2; NSC Action No. 312)

JCS views circulated as NSC 72 for Council information. State views, in response to NSC 72, circulated as NSC 72/1 also for Council information. At its 60th meeting the Council discussed the subject, deferred further action and directed the NSC Consultants to study the reference papers in preparation for further Council consideration. A memo for the President by the Secretary of Defense on "The Provision of Military Aid to Spain", referred by the President to the Executive Secretary, was circulated on August 3 for the information and use of the NSC Consultants and Staff in connection with their study of NSC 72 and NSC 72/1. Report by the Secretary of State (NSC 72/2) submitted for Council consideration. To be scheduled on the agenda of a later NSC meeting.

PROJECTS UNDER CONSIDERATION BY THE NSC (Cont'd)

EXPORT CONTROL POLICY TOWARD THE SOVIET BLOC
(NSC 102)

The reference report by the Secretary of Commerce has been submitted for Council consideration; and the Secretary of Agriculture and the Economic Cooperation Administrator have been invited to participate in this project. To be scheduled for consideration at a later Council meeting. (See also related projects in Section 3C.)

SECURITY OF STRATEGICALLY IMPORTANT INDUSTRIAL OPERATIONS IN FOREIGN COUNTRIES

(Progress Report, dated January 19, 1951, by the Under Secretary of State on NSC 29)

The reference Progress Report on the subject has been circulated for Council information. To be scheduled on the agenda of a later Council meeting.

SUPPORT FOR THE VOICE OF AMERICA IN THE FIELDS OF INTELLIGENCE AND OF RESEARCH AND DEVELOPMENT

(NSC 66; NSC 66/1; Memos for NSC from Executive Secretary, same subject, dated April 4, May 11, and September 11, 1950)

In accordance with NSC 66 the Secretaries of State and Defense, the Chairman, FCC, and the Director of Central Intelligence, were requested to designate representatives to prepare a report for consideration by the Council, the Secretary of the Treasury, and the Chairman, FCC, in the event that the recommendations in NSC 66 were approved. Comments by Defense, FCC and CIA were transmitted by the reference memo of May 11 and, in the light of the Defense comment that further Council action should be deferred until an ad hoc committee of the IAC completed its investigation of the problem, the departments and agencies concerned agreed informally that this item should not be scheduled for Council consideration until the Director of Central Intelligence and the IAC had submitted a report.

An interim report by the Director of Central Intelligence (reference memo of September 11) indicated that the views of USCIB were being sought.

Final report by the Acting Director of Central Intelligence enclosing a report by USCIB submitted for Council consideration as NSC 66/1. To be scheduled on the agenda of a later Council meeting.

3. CURRENT NSC STAFF PROJECTS

A. SENIOR NSC STAFF

U. S. ACTION TO COUNTER CHINESE COMMUNIST AGGRESSION

(NSC 101; NSC 101/1; NSC Action No. 420; Memo for Senior NSC Staff from Executive Secretary, subject, "The Position of the United States with Respect to Communist China", dated November 22, 1950; Memo for Senior NSC Staff from Executive Secretary, subject: "United States Policy Toward Asia in General and Toward China in Particular", dated December 14, 1950; checklist of possible U. S. action, dated January 11; NIE-10)

Recommendations by Senior State Member on the subject, circulated by the reference memo dated November 22 and discussed at Senior Staff meeting on December 12. Memo by Senior State Member transmitting correspondence exchanged between the Departments of State and Defense on the question of Formosa circulated by the reference memo dated December 14, for Senior Staff use in connection with its discussion of the subject. CIA report on the five points listed in Part II of the reference memo dated November 22, circulated as NIE-10, January 17.

A checklist of possible U. S. action to counter Chinese Communist aggression for the use of the respective departments and agencies prepared by the Senior Staff was considered on January 15 in the light of a memorandum by the JCS (NSC 101), and a report prepared for Council consideration (NSC 101/1).

At its 80th meeting, the NSC discussed NSC 101/1 in the light of NSC 101, and referred NSC 101/1 to the NSC Staff for revision in the light of the discussion, and agreed that the revised study should concern itself with U. S. objectives as well as U. S. courses of action on the reference problem. (NSC Action No. 420b.)

The Council also requested the JCS to prepare a detailed study of the military effectiveness of the possible use of Chinese forces on Formosa against the mainland of China, including consideration of the effect of such use upon the defense of Formosa. (NSC Action No. 420c.)

The Department of State was also requested by the Council to prepare a study on the effect upon China and other Eastern countries of continued U. S. support of Chiang Kai-shek. (NSC Action No. 420d.)

Awaiting above studies from State and JCS.

CURRENT NSC STAFF PROJECTS (Cont'd)

U. S. ACTION TO COUNTER CHINESE COMMUNIST AGGRESSION (Cont'd)

State draft report on the subject, circulated January 18, scheduled for consideration by the Senior Staff on January 22, in connection with its discussion of the subject with a view to preparing a revised report for Council consideration. (See also related projects in Sections 1, 2A and 5.)

GENERAL STATEMENTS OF PRINCIPLE DERIVED FROM NSC POLICY REPORTS
(Record of Senior NSC Staff Meeting, September 6, 1950, par. 3a; memo for Senior NSC Staff from Executive Secretary, same subject, dated January 15)

On September 6 the Senior Staff agreed that the Staff Assistants should examine existing NSC policy reports with a view to deriving therefrom any general statements of principle. General statements of principle derived from NSC policies circulated January 3 to the Senior Staff by the reference memo. Scheduled for consideration by the Senior Staff on January 25.

THE POSITION OF THE UNITED STATES WITH RESPECT TO GREECE
(NSC Action No. 366; Memo for Senior NSC Staff from Executive Secretary, same subject, dated January 15)

Various Staff drafts, dating from August 8 to October 26 considered by the Staff Assistants. Revised report by State in collaboration with JCS and CIA circulated January 3, revised by the Staff Assistants and forwarded to the Senior Staff by the reference memo. Scheduled for consideration by the Senior Staff on January 25.

THE POSITION OF THE UNITED STATES WITH RESPECT TO INDOCHINA
(NSC 64/1; Memo to Senior NSC Staff from Executive Secretary, same subject, dated January 4, 1951)

On October 19, the Senior NSC Staff agreed to consider this subject further upon receipt of a draft paper on the subject prepared by the Southeast Asia Aid Committee, together with the comments of the State Department, the Joint Secretaries, and the Joint Chiefs of Staff thereon.

At the request of the Secretary of Defense the views of the JCS (NSC 64/1) were circulated for Council information and referred

CURRENT NSC STAFF PROJECTS (Cont'd)

THE POSITION OF THE UNITED STATES WITH RESPECT TO INDOCHINA (Cont'd)

to the NSC Staff for use in the preparation of a report for Council consideration. On December 27, the Senior Staff directed the Staff Assistants to prepare, as a matter of urgency, a draft report on the immediate steps the United States should take to meet the critical situation in Indochina. Draft report by Staff Assistants submitted to Senior Staff by the reference memo. On January 8, the Senior Staff discussed the subject in the light of the importance of Indochina to the security of Southeast Asia and the security of the United States. To be considered further at a later Senior Staff meeting. (See also related projects in this Section and in Sections 1, 2A and 5.)

THE EASTERN MEDITERRANEAN AND MIDDLE EAST

(Memo for Senior NSC Staff from Executive Secretary, same subject, dated December 12, 1950)

Memo by the Senior State Member on the subject transmitted by the reference memo and considered by the Senior Staff on December 29.

Initial draft report to be prepared by State. CIA to furnish intelligence estimate on local attitudes and conditions which affect protection of our interests and realization of our objectives. Awaiting intelligence estimate from CIA and initial draft report from State.

RESULTS OF THE CONVERSATIONS BETWEEN THE PRESIDENT AND PRIME MINISTER ATTLEE

(NSC Action No. 391-b; NSC 93; Checklist of NSC Policies for Possible Review, dated December 20, 1950)

Pursuant to NSC Action No. 391-b the Senior Staff discussed the subject on December 12 and agreed to consider the matter further in the light of proposals to be made by its members and in the light of a statement, to be prepared by the Executive Secretary, of the NSC reports which appeared to require review. NSC 93, a report by the Secretary of State, was subsequently circulated and referred to the Senior Staff for use in this connection.

Checklist prepared by the Executive Secretary was considered by the Senior Staff on December 20, at which time it was agreed tentatively subject to any further discussion considered desirable, that most of the NSC policies requiring review in the light

CURRENT NSC STAFF PROJECTS (Cont'd)

RESULTS OF THE CONVERSATIONS BETWEEN THE PRESIDENT AND PRIME MINISTER ATTLEE (Cont'd)

of the subject conversations would be reviewed in the course of work now in progress on current NSC projects or in connection with the State-Defense study now under way pursuant to NSC Action No. 393-b. (See also Section 2C.)

UNITED STATES POLICY WITH RESPECT TO BERLIN AND EASTERN GERMANY
(NSC 89; NSC 73/4, par. 42; Memos for NSC from Executive Secretary, subject: "Additional Airlift to Support the Far East", dated September 27 and November 20, 1950; NSC Action No. 368; Memo for Senior NSC Staff from Executive Secretary, subject: "United States Policy with Respect to Berlin and Eastern Germany", dated October 31, 1950)

At its 69th Meeting, the Council noted the reference memo of September 27, and the fact that the situation presented therein would be taken into consideration in the studies on the Berlin blockade referred to in par. 42 of NSC 73/4. Memoranda on the subject by the Deputy Under Secretary of State and the Secretary of Defense were circulated for Council information as NSC 89, and referred to the NSC Staff for use in connection with this staff project. JCS study on airlift capabilities circulated to Senior Staff by the reference memo of October 31. Subsequent memo by the Deputy Secretary of Defense (reference memo of November 20) circulated for Council information and referred to the Staff for consideration in connection with this project. Awaiting study on the subject from State now in preparation in collaboration with Defense.

UNITED STATES POLICY WITH RESPECT TO TURKEY
(NSC Action No. 366-c)

In accordance with the reference Council action, the Senior NSC Staff discussed the subject on November 8 and agreed that State, in consultation with Defense, would prepare a draft report. Awaiting State report.

CURRENT NSC STAFF PROJECTS (Cont'd)

COLLABORATION WITH FRIENDLY GOVERNMENTS ON OPERATIONS AGAINST GUERRILLAS
(NSC 90)

NSC 90 circulated for Council information and referred to the Senior NSC Staff for use in the preparation of a report. On October 30 the Senior State and JCS Members undertook to collaborate in the preparation of a draft paper covering both the political and military aspects of the problem; and the Senior CIA Member agreed to prepare an intelligence estimate on current and probable areas and characteristics of guerrilla warfare. Awaiting joint report by State, JCS, and CIA Members.

JAPANESE PEACE TREATY
(NSC 60/1)

On September 15 the Senior Staff agreed that this subject should be a continuing project and that accordingly the Senior State Member should keep the Senior Staff informed of any security policy issues which may arise, with a view to further consideration of the subject.

UNITED STATES OBJECTIVES AND PROGRAMS FOR NATIONAL SECURITY
(NSC 68 series; Annex No. 8, Long-term Political and Economic Framework)

Awaiting revision of Annex No. 8 by State. (See also related projects in Section 4.)

CURRENT NSC STAFF PROJECTS (Cont'd)

B. NSC STAFF ASSISTANTS

THE POSITION OF THE UNITED STATES WITH RESPECT TO IRAN

(Memos for Senior NSC Staff from Executive Secretary, same subject, dated October 24 and 26, 1950; NIE-14)

On October 25 the Senior Staff considered a draft report by the Staff Assistants on the subject (reference memo of October 24), and agreed that a draft report on the subject should be based upon a complete reassessment of the U. S. position toward Iran, including a review of the applicability to Iran of the basic U. S. position relating to the Eastern Mediterranean and the Middle East, approved in 1947, and of current British thinking regarding this area.

On October 30 the CIA member was requested, with assistance from appropriate departments and agencies, to prepare an intelligence estimate of the extent to which the Western European economy is dependent upon Middle Eastern oil, and of the related problems involved in alternate sources of supply. CIA estimate (NIE-14) circulated January 8, 1951.

On January 18, the Senior Staff discussed the subject in the light of NIE-14 and referred the draft Statement of Policy and Staff Study, circulated by the reference memos, to the Staff Assistants for revision in the light of the discussion. Awaiting draft by Staff Assistants.

U. S. COURSES OF ACTION IN THE EVENT THE SOVIETS ATTEMPT TO CLOSE THE BALTIC

(NSC 88; Memo for Senior NSC Staff from Executive Secretary, same subject, dated January 2, 1951)

NSC 88 circulated for information and referred to the NSC Staff for use in the preparation of a report for Council consideration. At its meeting on October 19, the Senior NSC Staff agreed that State should prepare for Staff consideration a draft report on the subject, taking into account the views of the JCS in NSC 88. Draft report from State circulated by the reference memo.

On January 18 the Senior NSC Staff referred the State draft report to the Staff Assistants for revision in the light of the discussion, with particular reference to taking paragraph 5 of NSC 88 into account. Awaiting draft by Staff Assistants.

TOP SECRET

CURRENT NSC STAFF PROJECTS (Cont'd)

THE POSITION OF THE UNITED STATES TOWARD YUGOSLAVIA

(NSC 73/4, par. 37-a-(2); Memo for NSC from Executive Secretary, subject: "United States Policy Toward Yugoslavia and the Furnishing of Military Assistance to Yugoslavia in Case of Aggression", dated September 5, 1950)

JCS memo circulated by the reference memo for Council information and referred to the Staff for use in connection with studies being prepared pursuant to NSC Action No. 348-b, with particular reference to the review of NSC 18/4. Awaiting initial draft report by State.

POSITION OF THE UNITED STATES WITH RESPECT TO SCANDINAVIA

(Ref. NSC 28/1; Progress Report, dated November 14, 1950, on NSC 28/1 and NSC 32/1)

On December 13 the Senior NSC Staff directed the Staff Assistants to prepare a draft revision of NSC 28/1 for consideration by the Senior Staff. Awaiting initial draft report by State.

ISSUES RELATING TO THE COMMITMENT OF U. S. ARMED FORCES TO COUNTER COMMUNIST SUBVERSION

(Record of Senior Staff Meeting January 18, par. 5)

On January 18 the Senior Staff agreed that the Staff Assistants should prepare for the information of the Senior Staff a draft report stating: (1) the issues which have arisen in a number of NSC projects relating to the commitment of U. S. forces in various areas to counter Communist subversion short of the overt use of Soviet forces; and (2) the divergent points of view and supporting arguments relating to such issues. Awaiting draft by Staff Assistants.

TOP SECRET

CURRENT NSC STAFF PROJECTS (Cont'd)

C. OTHER CURRENT NSC STAFF PROJECTS

RELEASE OF INFORMATION REGARDING NEW WEAPONS

(Memo for NSC Consultants and AEC Representative, from Executive Secretary, same subject, dated July 5, 1950)

At the direction of the President, the Council and the Chairman, Atomic Energy Commission, undertook a consideration of the general problem of weapons information, including atomic weapons, in order to make appropriate recommendations to the President on the subject. A draft report, prepared by the Executive Secretary in accordance with the discussion at a meeting on June 22, has been circulated to the NSC Staff and a representative of the AEC by the reference memo. Awaiting redraft of this report by Defense.

UNITED STATES AND ALLIED WAR OBJECTIVES IN THE EVENT OF GLOBAL WAR
(NSC 79; Memo for NSC from Executive Secretary, same subject, dated September 6, 1950)

JCS memo (NSC 79) circulated for Council information and referred to the Staff for use in the preparation of a report.

The Senior Staff designated an ad hoc group to draft a report to include both a statement of war objectives in the event of global war, and such related questions as a statement of the conditions that the U. S. would be willing to accept for a peaceful settlement with the USSR and its satellites. At the initial meeting of the ad hoc group under the chairmanship of the State member on October 6, the form and content of a response to the problems posed by NSC 79 were discussed and agreed upon. Awaiting draft by the State Policy Planning Staff.

UNITED STATES POLICY ON DEFECTORS

(NSC 86; NSC Action No. 364; Memo for Ad Hoc Committee on NSC 86, from Executive Secretary, same subject, dated December 5, 1950)

At its 69th Meeting the Council referred NSC 86, without endorsement of the proposals contained therein, to the Staff for the preparation of a report. The Senior Staff subsequently designated an ad hoc committee, including a representative from the Department of Justice, to prepare a draft report.

On October 26 the ad hoc committee agreed that initial studies would be prepared by State and CIA, with appropriate advice and assistance from the other departments and agencies represented on the committee. CIA report circulated by the reference memo. Awaiting report from State.

TOP SECRET

CURRENT NSC STAFF PROJECTS (Cont'd)UTILIZATION OF FOREIGN MILITARY MANPOWER

(Memo for Senior NSC Staff from Executive Secretary, subject: "Proposed NSC Study of Manpower", dated December 4, 1950)

Memorandum by the Senior State Member on the subject circulated by the reference memo. On December 12 the Senior Staff agreed to designate an ad hoc group under the chairmanship of a JCS official and with officials from State, NSRB, Mr. Harriman's office and CIA, to prepare a draft report. At the initial meeting of the ad hoc group on January 22 a draft report was distributed by the chairman and is scheduled for further discussion at another meeting on January 25.

NSC DETERMINATIONS ON EAST-WEST TRADE

(Memo for Special Committee on East-West Trade from Assistant Executive Secretary, same subject, dated January 15, 1951; Memo for Special Committee from Assistant Executive Secretary, subject: "Agenda for Next Special Committee Meeting", dated January 22, 1951)

On December 6 the Special Committee on East-West Trade agreed that the Department of Commerce, with the assistance of representatives from State, Defense, NSRB, Treasury, ECA and CIA, would coordinate the preparation of statistical studies on the subject and submit those studies to the Special Committee for evaluation. Initial report from Commerce, including country studies on Latin-America, the Near East and Africa, circulated by the reference memo of January 15. List of countries receiving U. S. aid, prepared by the Department of State, circulated for information by the reference memo of January 22. Initial country studies scheduled for consideration at a Special Committee meeting on January 24.

OPERATION OF ISBRANDTSEN COMPANY, INC. SHIPS TO COMMUNIST COUNTRIES

(NSC 87; Memos for Senior NSC Staff from Executive Secretary, subject: "Strengthening of Export Control Laws", dated October 16 and 25, 1950; Memo for NSC from Executive Secretary, same subject, dated November 1, 1950; Memo for Special Committee on East-West Trade from Executive Secretary, subject: "East-West Trade", dated November 18, 1950; Memo for Special Committee on East-West Trade from Executive Secretary, subject: "Strengthening of Export Control Laws", dated December 19, 1950; Memo for Special Committee from Assistant Executive Secretary, same subject, dated January 12, 1951; Memo for Mr. Seybold, (Chairman), Mr. Thorp, Mr. Miller from Executive Secretary, same subject, dated January 18, 1951)

Referred to the Special Committee on East-West Trade by the Senior Staff on November 8. In view of recent actions on the subject reported by the Department of Commerce member transmitted by the reference memo dated December 19, and in light of current govern-

TOP SECRET

CURRENT NSC STAFF PROJECTS (Cont'd)

OPERATION OF ISBRANDTSEN COMPANY, INC. SHIPS TO COMMUNIST COUNTRIES (Cont.)

ment policy with respect to export controls, it was suggested that the NSC 87 project be cancelled. Replies to this suggestion, including memorandum by the Defense member, circulated by the reference memo of January 12 and considered at a Special Committee meeting on January 17, when it was agreed that Mr. Seybold, (Chairman), Mr. Thorp and Mr. Miller should constitute a subcommittee to prepare a brief report including an evaluation as to whether there are any significant deficiencies in our present shipping controls that would permit shipment of strategic materials to the Soviet bloc; and proposals for appropriate measures, either legislative or administrative, if such are required, designed to strengthen these controls. Awaiting subcommittee report.

EXPORT CONTROL POLICY TOWARD THE SOVIET BLOC
(NSC 102)

The reference report by the Secretary of Commerce was submitted for Council consideration. Scheduled for preliminary discussion at the meeting of the Special Committee on East-West Trade on January 24, to which a representative of the Secretary of Agriculture has been invited. (See also Section 2-C)

TOP SECRET

4. OTHER CURRENT COUNCIL PROJECTS

APPRAISAL OF FOREIGN ECONOMIC INTELLIGENCE REQUIREMENTS, FACILITIES AND ARRANGEMENTS RELATED TO THE NATIONAL SECURITY

(Memo for NSC from Executive Secretary same subject, dated February 7, 1950; NSC Action No. 282)

In approving the proposal by the Acting Chairman, NSRB, in the reference memo, the NSC directed (NSC Action No. 282) the CIA, in collaboration with the Government agencies concerned, to organize and conduct a study of foreign economic intelligence requirements, facilities and arrangements related to the national security, and, based on the findings of this study, to prepare for Council consideration and action a comprehensive plan for satisfying the foreign economic intelligence requirements of the national security and for a coordinated interagency effort to this end based on a definite allocation of responsibilities among the agencies concerned.

Interim reports by the CIA on September 8, October 4, and November 7, and January 9, concerning the status of this project, indicate that the surveys of governmental facilities for the production of economic intelligence are scheduled for completion by January 15, and that a coordinated draft statement of requirements for foreign economic intelligence is scheduled for completion by CIA by March 31. Awaiting report by CIA.

THE POSITION OF THE UNITED STATES WITH RESPECT TO ASIA

(NSC 48/2; Memo for NSC from Executive Secretary, same subject, dated November 20, 1950)

Memo by the Deputy Secretary of Defense on the subject, circulated for Council information by the reference memo and referred to the Secretary of State for consideration of the action proposed in the second paragraph thereof. Awaiting response by the Secretary of State.

JOINT REVIEW OF POLITICO-MILITARY STRATEGY

(NSC Action No. 393-b; NSC 68/4)

The President directed (NSC Action No. 393-b) the Secretaries of State and Defense to undertake immediately a joint review of the politico-military strategy of this Government with a view to increasing and speeding up the programs outlined in NSC 68/4 in the light of the present critical situation, and to submit to the President as soon as possible appropriate recommendations through the NSC. Awaiting joint report by the Secretaries of State and Defense.

TOP SECRET

OTHER CURRENT COUNCIL PROJECTS (Cont'd)

PROVISION FOR STATE INTERNAL SECURITY FORCES
(NSC 96; NSC Action No. 409)

At the request of the Secretary of Defense the reference report was submitted for Council consideration. At its 77th Meeting, by the reference action, the Council agreed to request the Chairman, NSRB, to develop, in consultation with other interested agencies, a plan for the provision of essential Federal guidance and assistance to the States in organizing reserves to perform State and local security functions when the National Guard is ordered into active military service, this plan to include any necessary Federal legislation. Awaiting report by the Chairman, NSRB.

A NATIONAL PETROLEUM PROGRAM
(NSC 97)

At the direction of the President, a letter from the Acting Secretary of Defense on the subject (NSC 97) was referred to the Director of Defense Mobilization to develop a national petroleum program leading to the complete supply of allied requirements, for consideration by the NSC. Awaiting report by Director of Defense Mobilization.

TOP SECRET

5. CANCELLED PROJECTS

UNITED STATES COURSES OF ACTION WITH RESPECT TO KOREA

(NSC Action No. 378; NSC 81/1, NSC 81/2 and NSC 73/4; Memo for NSC from Executive Secretary, same subject, dated November 10, 1950; Memos for Senior NSC Staff from Executive Secretary, same subject, dated November 13, 15 and 17, 1950)

At its 71st Meeting, the Council directed the Staff to study the views of State, JCS, and CIA, in the light of the Council discussion, and to advise the Council as to further steps which should be recommended to the President to meet the Korean situation. At its meeting on November 10, the Senior Staff agreed that the State Department would draft recommendations for consideration by the Senior NSC Staff, prior to their submission to the Council. An interim report by the NSC Staff was submitted as NSC 81/2 for consideration by the Council and the Secretary of the Treasury, and, in view of later developments, was withdrawn on November 30.

Subsequent draft reports considered by the Senior Staff on November 20, 29 and 30, December 1, 4 and 5. Preparation of further drafts deferred pending developments.

Cancelled in view of related project on "U. S. Action to Counter Chinese Communist Aggression" (NSC 101 series) listed in Section 3-A.

TOP SECRET

SIGNATURE RECORD AND COVER SHEET

LOGGED BY: MAS

ATTENTION: THIS FORM WILL BE ATTACHED TO EACH TOP SECRET DOCUMENT RECEIVED BY THE CENTRAL INTELLIGENCE AGENCY OR CLASSIFIED TOP SECRET WITHIN THE CIA AND WILL REMAIN ATTACHED TO THE DOCUMENT UNTIL SUCH TIME AS IT IS DOWNGRADED, DESTROYED OR TRANSMITTED OUTSIDE OF CIA. ACCESS TO TOP SECRET MATERIAL IS LIMITED TO THOSE INDIVIDUALS WHOSE OFFICIAL DUTIES RELATE TO THE MATERIAL. EACH ALTERNATE OR ASSISTANT TOP SECRET CONTROL OFFICER WHO RECEIVES AND/OR RELEASES THE ATTACHED TOP SECRET MATERIAL WILL SIGN THIS FORM AND INDICATE PERIOD OF CUSTODY IN THE LEFT-HAND COLUMNS PROVIDED. THE NAME OF EACH INDIVIDUAL WHO HAS SEEN THE TOP SECRET DOCUMENT AND THE DATE OF HANDLING SHOULD BE INDICATED IN THE RIGHT-HAND COLUMNS.

Jan. 1040

TOP SECRET